

Message Text

UNCLASSIFIED

PAGE 01 COLOMB 01969 071410Z
ACTION AGRE-00

INFO OCT-01 EA-09 NEA-10 ISO-00 AID-05 IGA-02 EB-07
COME-00 TRSE-00 OMB-01 CIAE-00 INR-07 NSAE-00
/042 W
-----071417Z 098152 /43

R 071102Z JUN 77
FM AMEMBASSY COLOMBO
TO SECSTATE WASHDC 7439
AMEMBASSY SINGAPORE
INFO AMEMBASSY NEW DELHI

UNCLAS COLOMBO 1969

DEPT PASS USDA FOR CEP/OGSM; NEW DELHI FOR AGATT; SINGAPORE
PLEASE PASS ALAN HUNT, WHEAT ASSOCIATES, USA

E.O. 11652: N/A
TAGS: EAGR, ETRD, CE

SUBJ: WHEAT GRAIN SALES TO SRI LANKA STATE FLOUR MILLING CORP.

REF: (A) COLOMBO 1394; (B) COLOMBO 1212 (NOTAL)

1. CHAIRMAN SILVA OF THE FLOUR MILLING CORP. TOLD EMBOFF JUNE
7 THAT HE HAS DECIDED NOT TO PURCHASE 5,000 TON SAMPLE OS US
HARD RED WINTER (SEE REFTEL A). HE SAID THAT THERE ARE SO
MANY PROBLEMS INVOLVED WITH SUCH A SMALL SHIPMENT THAT HE HAS
DECIDED TO DISPENSE WITH THE TEST MILLING AND TO GO AHEAD WITH
A TENDER FOR APPROXIMATELY ONE YEAR'S SUPPLY OF GRAIN (I.E.,
ABOUT 130,000 TONS). SILVA PLANS TO DISCUSS THE MATTER WITH
THE EXTERNAL RESOURCES DIVISION (ERD) LATER THIS WEEK AND TO
ISSUE THE TENDER IN LATE JUNE OR EARLY JULY. (ERD OFFICIALS
HAVE TOLD EMBOFF THAT IF SILVA'S PLAN IS APPROVED, AN OFFICIAL
REQUEST FOR CCC CREDIT WILL BE IMMEDIATELY SENT TO THE EMBASSY.)

2. BECAUSE OF A DISPUTE BETWEEN THE FLOUR MILLING CORP. AND
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 COLOMB 01969 071410Z

THE FOOD COMMISSIONER OVER FLOUR SPECIFICATIONS, THE LOCAL
MILL WAS OUT OF PRODUCTION FOR MORE THAN A MONTH AND HAS JUST
RESUMED NORMAL OPERATIONS. AS A CONSEQUENCE, THE SUPPLY OF
AUSTRALIAN WHEAT UNDER THE CURRENT CONTRACT WILL NOT BE EX-
HAUSTED UNTIL THE END OF SEPTEMBER.

3. REGARDING THE PROPOSAL TO MILL US WHEAT IN SINGAPORE

AND TO SHIP THE FLOUR TO SRI LANKA, THE FOOD COMMISSIONER'S OFFICE SAYS THAT DUE TO THE RECORD MAHA PADDY HARVEST (CURRENTLY ESTIMATED AT 55 TO 60 MILLION BUSHELS) AND THE LARGE STOCKS OF WHEAT FLOUR ON HAND OR ENROUTE, NO ADDITIONAL FLOUR WILL BE NEEDED UNTIL ABOUT THE END OF NOVEMBER. FLOUR CONSUMPTION HAS DECLINED FROM 60,000 TONS PER MONTH EARLIER THIS YEAR TO ABOUT 45,000 TONS NOW. DROP IN CONSUMPTION IS DUE NOT ONLY TO THE INCREASED SUPPLY OF RICE, BUT ALSO TO THE FACT THAT LDE DISTRIBUTION PROBLEMS DESCRIBED REFTEL B HAVE BEEN AGGRAVATED BY THE CURRENT RAIL STRIKE, AND SOME AREAS OF THE COUNTRY HAVE BEEN EXPERIENCING FLOUR SHORTAGES.

4. FOR HUNT: SILVA, WHO IS NOW THE ACTING ADDITIONAL SECRETARY IN MINISTRY OF INDUSTRIES SUPERVISING ALL STATE CORPORATIONS IN ADDITION TO RUNNING THE FLOUR MILL, SAID IT WOULD NOT BE POSSIBLE FOR HIM TO LEAVE THE COUNTRY BEFORE THE JULY ELECTIONS. AS HASSAN AND PULENDIRAN CAN NOT GO EITHER, YOU MAY WISH TO CONSIDER PROGRAMMING THE ORIENTATION TRIP FOR SOME TIME IN LATE 1977 OR EARLY 1978.

PERKINS

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PROCUREMENT, WHEAT
Control Number: n/a
Copy: SINGLE
Sent Date: 07-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977COLOMB01969
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770202-0733
Format: TEL
From: COLOMBO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770684/aaaacvqm.tel
Line Count: 82
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 9ea6bf83-c288-dd11-92da-001cc4696bcc
Office: ACTION AGRE
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 77 COLOMBO 1394, 77 COLOMBO 1212
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 04-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2253324
Secure: OPEN
Status: NATIVE
Subject: WHEAT GRAIN SALES TO SRI LANKA STATE FLOUR MILLING CORP.
TAGS: EAGR, ETRD, CE, US
To: STATE SINGAPORE
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/9ea6bf83-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009